

## Message Text

UNCLASSIFIED

PAGE 01 DOHA 00672 011153Z

ACTION NEA-10

INFO OCT-01 EUR-12 ISO-00 EB-07 SIL-01 LAB-04 TRSE-00

OMB-01 HEW-06 CIAE-00 INR-07 NSAE-00 SCSE-00

SCA-01 /050 W

-----011206Z 021052 /43

R 010926Z JUN 77

FM AMEMBASSY DOHA

TO SECSTATE WASHDC 2661

INFO USDOC WASHDC

AMEMBASSY ALGIERS

AMEMBASSY ABU DHABI

AMEMBASSY AMMAN

AMEMBASSY ATHENS

USINT BAGHDAD

AMEMBASSY CAIRO

AMEMBASSY DAMASCUS

AMCONSUL DHAHRAN

AMEMBASSY KUWAIT

AMEMBASSY MANAMA

AMEMBASSY MUSCAT

AMEMBASSY RABAT

AMEMBASSY SANA

AMEMBASSY TEHRAN

AMEMBASSY TEL AVIV

AMEMBASSY TRIPOLI

AMEMBASSY TUNIS

UNCLAS DOHA 0672

DEPT PASS DEPT OF LABOR

ABU DHABI PASS DUBAI

ATHENS FOR RTDO

E.O. 11652: N/A

UNCLASSIFIED

UNCLASSIFIED

PAGE 02 DOHA 00672 011153Z

TAGS: ETRD, EFIN, ELAB, BEXP, TC, QA

SUBJECT: NEGATIVE IMPACT OF OVERSEAS TAX RISE CONTINUES

REF: (A) DOHA 608; (B) ABU DHABI 1494; (C) KUWAIT 2152

1. EMBASSY HAS BEEN INFORMED BY AMERICAN DRILLING COMPANY, SEDCO INTERNATIONAL, THAT BECAUSE OF NEW TAX LAW ALL AMERICAN PERSONNEL

WORKING QATAR AND EMIRATES WILL BECOME NON-RESIDENTS OF THOSE COUNTRIES. SEDCO INTENDS TO ESTABLISH RESIDENCES IN ATHENS FOR AMERICAN PERSONNEL WHO WILL COMMUTE BETWEEN ATHENS AND JOB SITES. SEDCO REP TOLD EMBOFF THAT HIS AND OTHER DRILLING COMPANIES ARE PLANNING ROTATION SCHEDULES WHICH WILL ALLOW WORKERS TO MAINTAIN RESIDENCE IN LOW COST AREAS INCLUDING ATHENS, UK AND US. THIS WILL ELIMINATE HIGH RENTS IN GULF STATES WHICH WOULD BE NOTED AS INCOME.

2. COMMENT: DISESTABLISHMENT OF RESIDENCES IN DOHA AND OTHER GULF STATES WILL DECREASE AMERICAN PRESENCE NUMERICALLY AND ALSO LOWER AMERICAN INFLUENCE IN GULF STATES. LACK OF RESIDENT AMERICANS COULD COST JOBS AND CONTRACTS. AS WE, AND OTHER POSTS, HAVE STATED BEFORE, ILL-EFFECTS OF TAX LAW WILL BE GEOMETRIC, US WILL LOSE JOBS, CONTRACTS AND ABILITY TO INFLUENCE LOCAL GOVTS AND LOCAL BUSINESSMEN TO BUY AMERICAN PRODUCTS AND SERVICES. THIS, OF COURSE, WILL LEAD TO DECREASE IN US BALANCE OF TRADE AND WILL COST STATE-SIDE JOBS  
PAGANELLI

UNCLASSIFIED

NNN

## Message Attributes

**Automatic Decaptioning:** X  
**Capture Date:** 01-Jan-1994 12:00:00 am  
**Channel Indicators:** n/a  
**Current Classification:** UNCLASSIFIED  
**Concepts:** ECONOMIC CONDITIONS, TAX LAW, INCOME TAXES  
**Control Number:** n/a  
**Copy:** SINGLE  
**Sent Date:** 01-Jun-1977 12:00:00 am  
**Decaption Date:** 01-Jan-1960 12:00:00 am  
**Decaption Note:**  
**Disposition Action:** n/a  
**Disposition Approved on Date:**  
**Disposition Case Number:** n/a  
**Disposition Comment:**  
**Disposition Date:** 01-Jan-1960 12:00:00 am  
**Disposition Event:**  
**Disposition History:** n/a  
**Disposition Reason:**  
**Disposition Remarks:**  
**Document Number:** 1977DOHA00672  
**Document Source:** CORE  
**Document Unique ID:** 00  
**Drafter:** n/a  
**Enclosure:** n/a  
**Executive Order:** N/A  
**Errors:** N/A  
**Expiration:**  
**Film Number:** D770194-1079  
**Format:** TEL  
**From:** DOHA  
**Handling Restrictions:** n/a  
**Image Path:**  
**ISecure:** 1  
**Legacy Key:** link1977/newtext/t197706104/aaaadmsx.tel  
**Line Count:** 81  
**Litigation Code IDs:**  
**Litigation Codes:**  
**Litigation History:**  
**Locator:** TEXT ON-LINE, ON MICROFILM  
**Message ID:** e3019e73-c288-dd11-92da-001cc4696bcc  
**Office:** ACTION NEA  
**Original Classification:** UNCLASSIFIED  
**Original Handling Restrictions:** n/a  
**Original Previous Classification:** n/a  
**Original Previous Handling Restrictions:** n/a  
**Page Count:** 2  
**Previous Channel Indicators:** n/a  
**Previous Classification:** n/a  
**Previous Handling Restrictions:** n/a  
**Reference:** 77 DOHA 608, 77 ABU DHABI 1494, 77 KUWAIT 2152  
**Retention:** 0  
**Review Action:** RELEASED, APPROVED  
**Review Content Flags:**  
**Review Date:** 13-Oct-2004 12:00:00 am  
**Review Event:**  
**Review Exemptions:** n/a  
**Review Media Identifier:**  
**Review Release Date:** n/a  
**Review Release Event:** n/a  
**Review Transfer Date:**  
**Review Withdrawn Fields:** n/a  
**SAS ID:** 2005668  
**Secure:** OPEN  
**Status:** NATIVE  
**Subject:** NEGATIVE IMPACT OF OVERSEAS TAX RISE CONTINUES  
**TAGS:** ETRD, EFIN, ELAB, BEXP, TC, QA, US  
**To:** STATE  
**Type:** TE  
**vdkgvwkey:** odb://SAS/SAS.dbo.SAS\_Docs/e3019e73-c288-dd11-92da-001cc4696bcc  
**Review Markings:**  
Margaret P. Grafeld  
Declassified/Released  
US Department of State  
EO Systematic Review  
22 May 2009  
**Markings:** Margaret P. Grafeld Declassified/Released US Department of State EO Systematic Review 22 May 2009